

Destination Travel Ad Spend and Trends: Now and Later

Tamara Pigott

The Beaches of Fort Myers & Sanibel

Vicki Singer

Ryan Bifulco

Follow this and additional works at: <https://scholarworks.umass.edu/ttra>

Pigott, Tamara; Singer, Vicki; and Bifulco, Ryan, "Destination Travel Ad Spend and Trends: Now and Later" (2016). *Travel and Tourism Research Association: Advancing Tourism Research Globally*. 12.
<https://scholarworks.umass.edu/ttra/2014marketing/Proceedings/12>

This Event is brought to you for free and open access by ScholarWorks@UMass Amherst. It has been accepted for inclusion in Travel and Tourism Research Association: Advancing Tourism Research Globally by an authorized administrator of ScholarWorks@UMass Amherst. For more information, please contact scholarworks@library.umass.edu.

What's Hot with Native, Mobile & Big Data

Overview

- + Travel Ad Spend PhoCusWright Report
- + Native
- + Mobile
- + Email
- + DMO Case Study
- + Big Data
- + DMO Perspective from The Beaches of Fort Myers and Sanibel
- + Q & A

We are Cheap & Stingy

- + Travel ranks 120 out of 200 on Ad Spend
- + \$300 BILLION in bookings yet only \$4 Billion spent on Advertising
- + DMOs are better with 20% spent on Advertising
- + Hotels are only 1.5% and Air .6%

Online Overtakes Offline

- + Online ad spend 58% of total budgets for 2015
- + DMOs only spent 42% of budget online
- + Digital travel spend grows 18% from 2013-2015

Improve on Attribution



+

2 out of 5 said no Attribution used or don't know



+

Last click attribution misses too many conversions



+

View thru and influencing Search

Defining Native

- + Ads interwoven into content
- + Matching look and feel of a publisher
- + Provide some value or entertainment to the user
- + Seem like they belong

Why Native?

- + Up to 50% of clicks on mobile ads are accidental
- + 60% of users don't recall their last display ad

Marketer Frustration



47%

of content marketing professionals who are dissatisfied with their ability to distribute content to the right audience.


Native Types

Content Recommendations


If you like this...

You May Like


Promoted Links by Taboola




Wedding Photo Goes Horribly Horribly Wrong




What NASA Didn't Show You During The Apollo 11 Moon Landing




The Dark Side Of Quinoa



Simple Way to Pay Off Your Mortgage



5 Not-So-Tech-Savvy Pets



If You Buy Groceries Every Week With A Credit Card You Sho...

LendingTree

Intel iQ

Next Advisor Daily

From around the web

- What is the Craziest HIV Myth TheBody.com
- 6 Delicious Recipes.... Wrapped in Bacon! Springpad
- 10 Early Signs of Multiple Sclerosis Caring.com
- 10 Reasons You're Not Losing Weight Lifescript.com
- 3 Reasons You're Not Ripped Muscle & Fitness
- Best Looking Female Athletes in Bikinis Rant Sports

More from CNN


- New York woman holding baby falls from 8th floor to her death
- Mom to teenage son accused in baby shooting: 'I love you'
- Top brain scientist is 'philosopher at heart'
- To perform CPR or not? Woman's death raises questions
- Ware leg injury greusome, but fixable  [what's this]
- Dentist's office a 'perfect storm' for HIV, hepatitis exposure, health official says


Native Types

In Feed


In Feed or In Stream ads fit into the natural flow of content


The Latest

 **Gotcha! A Roundup of April Fools' Day Pranks From Around Tech and Social Media**
4 hours ago in Your Website by Jason Fell
How some companies are having fun on this popular holiday.

 **YouTube Co-founder Announces New Video Service**
7 hours ago in News and Trends by Brian Patrick Eha
Having started and nurtured the online video revolution, Chad Hurley appears ready to take online video in a new direction.

Sponsor Provided Content

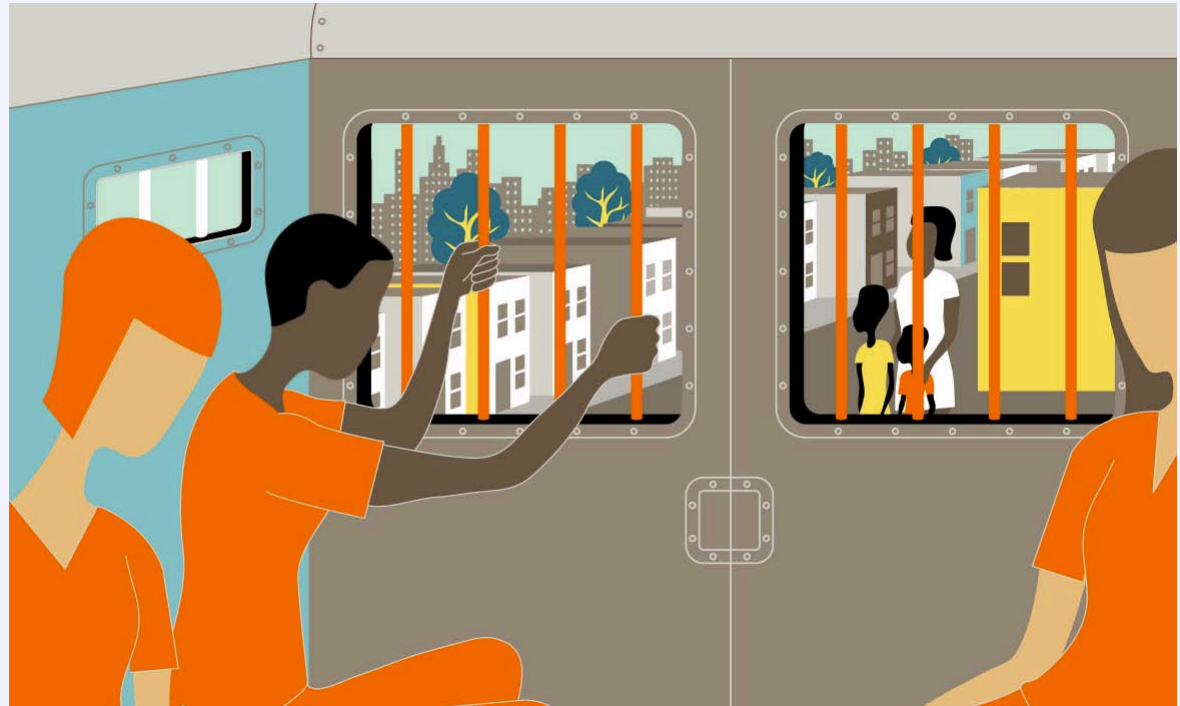
 **Watch Now: How small businesses are reaching customers**
Judi Hembrough leads marketing & strategy efforts for the Small and Medium Business customer segment at Plantronics. Shrink costs or grow the business....

 **The Art of Leadership: 10 Trailblazers on What it Takes to Lead (Photos)**

Native Types

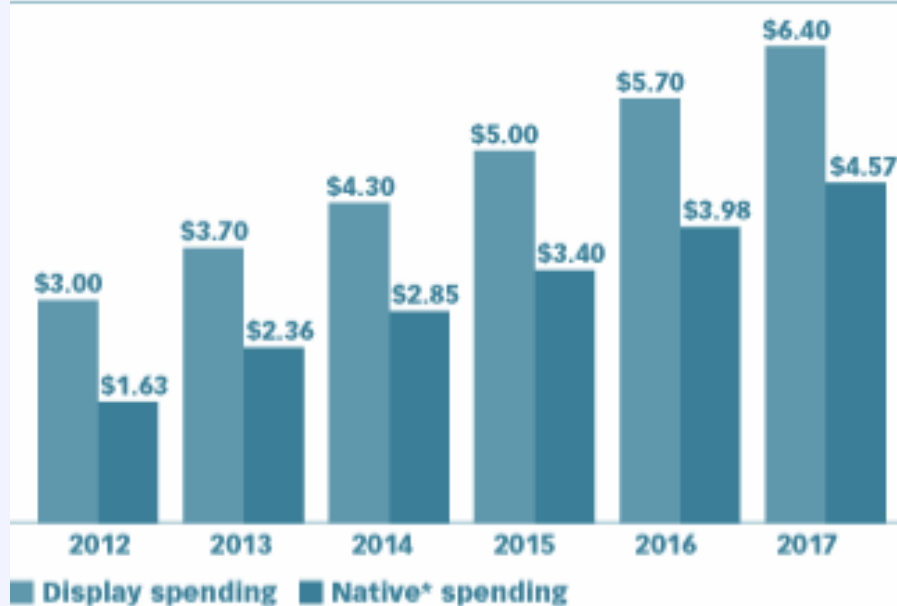


Custom Native Ads offer content users can readily identify as sponsored but that is easy for them to engage with.



Native's Future

US Social Media Ad Spending, by Type, 2012-2017
billions



\$1.63 B
(2012)

Native will grow
60% faster than
Display

\$4.57 B
(2017)

Native Over Display Ads

53%

Higher Awareness

32%

Would Share Content

18%

Brand Lift &
Purchase Intent

*“Don’t distract me,
give me something
interesting.”*

Destinations & Content

- + DMOs are storytellers
- + Content marketing and Native are perfect fit
- + Not just CNN reporting the news
- + Marriott has a Storytelling in house team

Branded Content

- + Can go viral
- + Need to get the content out there
- + [KLM](#) sample video – 13 million views in 1 month



Mobile Trends

- + Can't talk about mobile trends without mentioning Native
 - Native ads work well on smaller screens
 - 97% clients happy with mobile native branding

Mobile has its Place

- + Mobile is great for in Destination
- + Last minute hotel bookings
- + 2/3 of Orbitz mobile bookings are same day



Mobile not the King yet



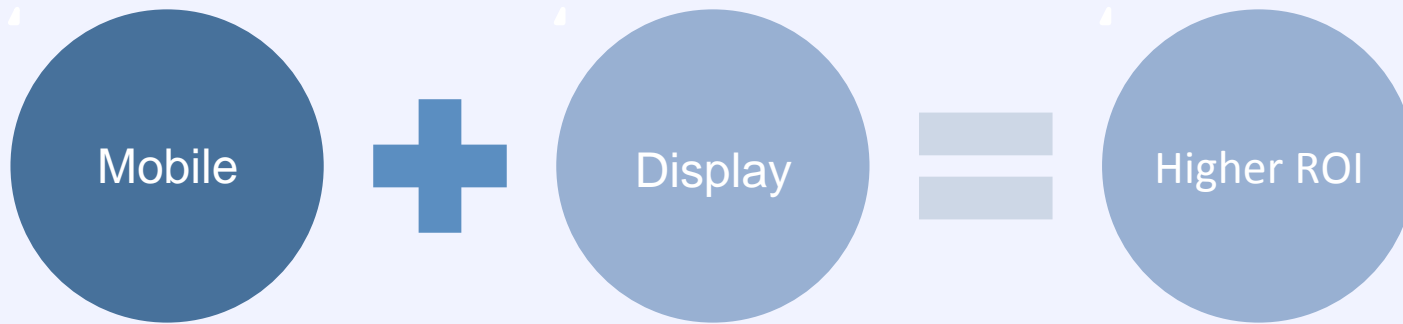
75%

Desktop will account for 75% of all travel bookings in 2015

- + Mobile not as strong for advanced bookings
- + Many mobile stats and reports are about shopping in retail stores

Mobile & Display Together

- + Users that saw BOTH mobile & display ads from same brand led to 3x the impact to more sales.



Mobile Trends

- + Don't have to have an app
- + Treat Tablet and Smartphone differently
- + Mobile is NOT replacing desktop
- + Mobile time goes up before and after work
- + 65% of emails are opened on mobile devices

Email is NOT fading away

- + Email delivers a 30 to 1 ROI
- + Email is 40 times more effective than social networks in attracting new customers (Custora)
- + Email is equal to search engines when it comes to discovering new content (SDL)



Email is Powerful



40%

of marketing
executives call email
their most powerful
marketing tool

Do more with Email



Grow your own email database



Co Reg vs Premium Lead Gen



Fish in new ponds



Don't pay for waste and un-opens

DMO Case Study

60k

of TN travel intenders
we drove to the State
Tourism site in only 6
weeks. Plus 16,000
sign-ups.

Defining Big Data:

Massive data sets with lots of variables

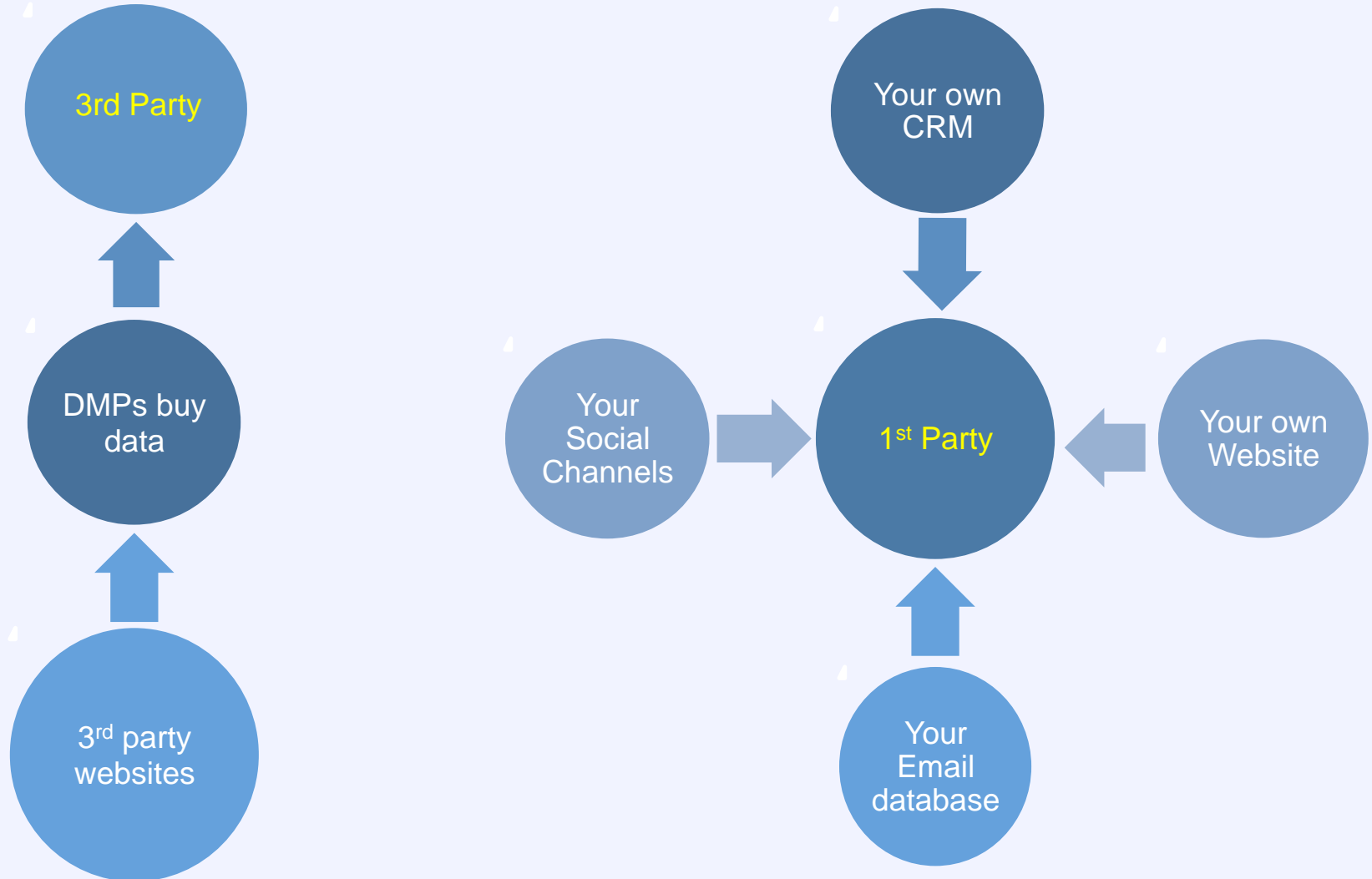
- Spot trends between sets
- Volume, Velocity and Variety of data

Examples that create data

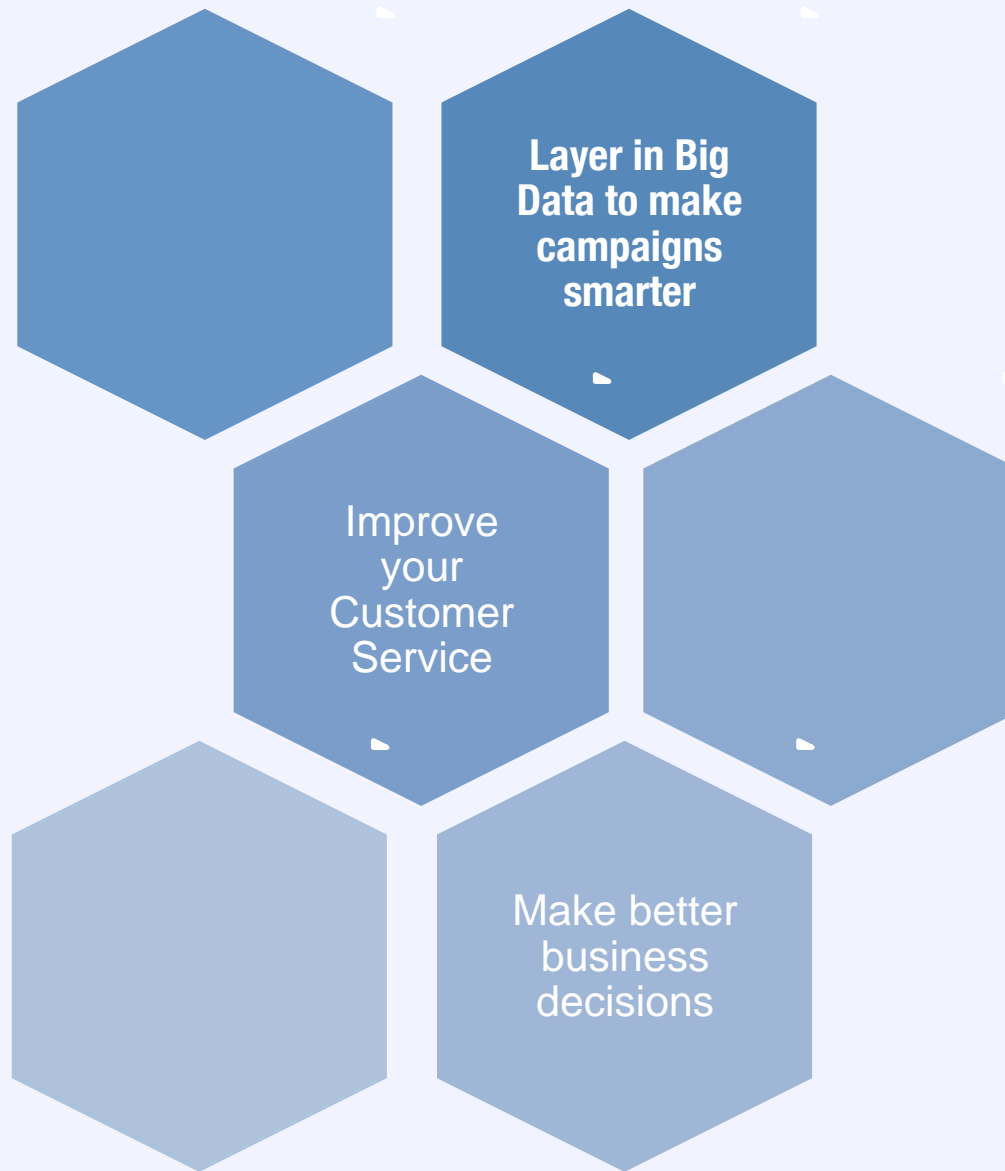
- You buy a car offline
- You search for a hotel in Atlanta online

Processes and systems to collect, store and analyze large amounts of data

Types of Data:



Why Big Data?



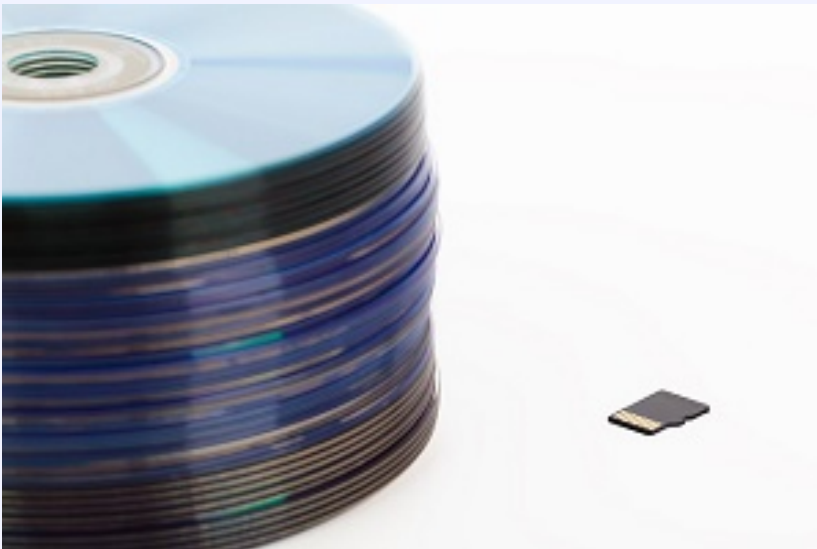
Big Data in Travel

- + Nsight for Travel
- + Destination Arena

Big Data Stats

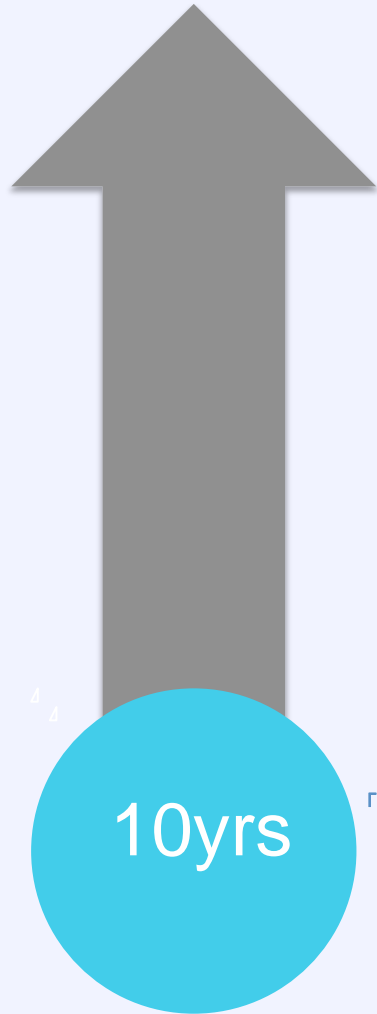
12%

Companies only analyze 12% of data collected through Big Data processes



- + To keep up with our demand for digital storage you would need a stack of CDRoms high enough to reach the moon!

Big Data Quotes



- + “I keep saying that the sexy job in the next 10 years will be statisticians, and I’m not kidding.” – Hal Varian, chief economist at Google.
- + "The goal is to turn data into information, and information into insight." – Carly Fiorina, former chief executive of HP.